



Memorandum

TO: CITY COUNCIL

FROM: Mayor Chuck Reed
Councilmember Sam Liccardo
Councilmember Donald Rocha

**SUBJECT: LED STREETLIGHT
CONVERSION PROGRAM**

DATE: May 18, 2012

Approved *Sam Liccardo* ^{RH} Date *5/18/12*
Chuck Reed *Don Rocha*
AS

RECOMMENDATION

Accept the staff report and affirm staff's prioritization of conversion effort as discussed at the Transportation and Environment Committee with the following changes:

1. Continue efforts to combine the Streetlight Conversion Program with the Building Retrofit/Energy Efficiency efforts for city buildings.
2. Develop an RFQ/RFP designed to select a partner from the list of ESCO's (Energy Service Company) approved to operate in California that clearly states the following objectives of the program:
 - A. Replace all city streetlights with programmable, controllable, energy-efficient LED's.
 - B. Retrofit city buildings to improve energy efficiency and reduce operational costs.
 - C. Finance the entire package of improvements in order for loan repayment to come solely from the energy savings that are guaranteed by the partner.
 - D. Form a working group from pertinent City departments and the City Attorney's Office.

BACKGROUND

In 2007, we passed the Green Vision with 10 long-term sustainability goals. Among them were the reduction of energy consumption, converting our streetlights, and helping to create green jobs. By partnering with an ESCO, we can develop and execute a plan to achieve those goals at our city facilities and demonstrate to the region how it can be done.

There are less than 20 ESCO's operating in California today. By producing an RFQ that clearly states our objectives, we can ask each of these companies to tell us how we can accomplish those objectives. The companies that respond to our RFQ will be evaluated by the working group to address individual department concerns and needs framed by the long-term objectives of the program. Once the partner is selected, it will work with city staff to build on staff's accomplishments in order to develop a comprehensive strategy that completes energy improvements and streetlight conversions paid for by the guaranteed savings achieved by the partner.